

83d CONGRESS  
2d SESSION

# H. R. 7054

## IN THE HOUSE OF REPRESENTATIVES

JANUARY 7, 1954

Mr. DINGELL introduced the following bill; which was referred to the Committee on Ways and Means

## A BILL

To amend the Social Security Act to provide unemployment insurance for Federal civilian employees, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 That the Social Security Act, as amended, is further amended  
4 by adding after title XIV thereof the following new title:

5 "TITLE XV—UNEMPLOYMENT COMPENSATION  
6 FOR FEDERAL EMPLOYEES

7 "DEFINITIONS

8 "SEC. 1501. When used in this title—

9 "(a) The term 'Federal service' means any service  
10 performed after 1950 in the employ of the United States or

1 any instrumentality thereof which is wholly owned by the  
2 United States, except that the term shall not include (1)  
3 service performed by an elective officer in the executive or  
4 legislative branch of the Government of the United States;  
5 (2) service performed as a member of the Armed Forces  
6 of the United States; (3) service performed by foreign  
7 service personnel for whom special separation allowances are  
8 provided by the Foreign Service Act of 1946 (60 Stat.  
9 999); (4) service performed prior to January 1, 1955,  
10 for the Bonneville Power Administrator if such service con-  
11 stitutes employment under section 1607 (m) of the Federal  
12 Unemployment Tax Act; or (5) service performed outside  
13 the United States by an individual who is not a citizen of  
14 the United States. For the purpose of clause (5) of this  
15 subsection, the term 'United States' when used in a geo-  
16 graphical sense means the States, Alaska, Hawaii, the  
17 District of Columbia, Puerto Rico, and the Virgin Islands.

18 “(b) The term 'Federal wages' means all remuneration  
19 for Federal service, including cash allowances and remunera-  
20 tion in any medium other than cash.

21 “(c) The term 'Federal employee' means an individual  
22 who has performed Federal service.

23 “(d) The term 'compensation' means cash benefits pay-  
24 able to individuals with respect to their unemployment

1 (including any portion thereof payable with respect to  
2 dependents).

3 “(e) The term ‘benefit year’ means the benefit year  
4 as defined in the applicable State unemployment compensa-  
5 tion law; except that, if such State law does not define  
6 a benefit year, then such term means the period prescribed  
7 in the agreement under this title with such State or, in  
8 the absence of an agreement, the period prescribed by the  
9 Secretary.

10 “(f) The term ‘Secretary’ means the Secretary of Labor.

11 “COMPENSATION FOR FEDERAL EMPLOYEES UNDER STATE  
12 AGREEMENTS

13 “SEC. 1502. (a) The Secretary is authorized on be-  
14 half of the United States to enter into an agreement with  
15 any State, or with the agency administering the unemploy-  
16 ment compensation law of such State, under which such  
17 State agency (1) will make, as agent of the United States,  
18 payments of compensation, on the basis provided in sub-  
19 section (b) of this section, to Federal employees, and (2)  
20 will otherwise cooperate with the Secretary and with other  
21 State agencies in making payments of compensation under  
22 this title.

23 “(b) Any such agreement shall provide that compen-  
24 sation will be paid by the State to any Federal employee,

1 with respect to unemployment after December 31, 1954,  
2 in the same amount, on the same terms, and subject to the  
3 same conditions as the compensation which would be pay-  
4 able to such employee under the unemployment compen-  
5 sation law of the District of Columbia if the Federal service  
6 and Federal wages of such employee had been included as  
7 employment and wages under such law.

8 “(c) Any determination by a State agency with respect  
9 to entitlement to compensation pursuant to an agreement  
10 under this section shall be subject to review in the same  
11 manner and to the same extent as determinations under the  
12 State unemployment compensation law, and only in such  
13 manner and to such extent.

14 “(d) Each agreement shall provide the terms and con-  
15 ditions upon which the agreement may be amended or ter-  
16 minated.

17 “COMPENSATION FOR FEDERAL EMPLOYEES IN ABSENCE  
18 OF STATE AGREEMENT

19 “SEC. 1503. (a) In the case of a Federal employee in a  
20 State which does not have an agreement under this title with  
21 the Secretary, the Secretary, in accordance with regulations  
22 prescribed by him, shall, upon the filing by such employee  
23 of a claim for compensation under this subsection, make pay-  
24 ments of compensation to him with respect to unemployment  
25 after December 31, 1954, in the same amounts, on the same

1 terms, and subject to the same conditions as would be paid to  
2 him under the unemployment compensation law of the Dis-  
3 trict of Columbia if such employee's Federal service and  
4 Federal wages had been included as employment and wages  
5 under such law, except that if such employee, without regard  
6 to his Federal service and Federal wages, has employment  
7 or wages sufficient to qualify for any compensation during  
8 the benefit year under the law of such State, then payments  
9 of compensation under this subsection shall be made only  
10 on the basis of his Federal service and Federal wages.

11 “(b) In the case of a Federal employee in Puerto Rico  
12 or the Virgin Islands, the Secretary, in accordance with  
13 regulations prescribed by him, shall, upon the filing by such  
14 employee of a claim for compensation under this subsection,  
15 make payments of compensation to him with respect to  
16 unemployment after December 31, 1954, in the same  
17 amounts, on the same terms and subject to the same con-  
18 ditions as would be paid to him under the unemployment  
19 compensation law of the District of Columbia if such  
20 employee's Federal service and Federal wages had been  
21 included as employment and wages under such law, except  
22 that if such employee, without regard to his Federal service  
23 and Federal wages, has employment or wages sufficient to  
24 qualify for any compensation during the benefit year under

1 such law, then payments of compensation under this sub-  
2 section shall be made only on the basis of his Federal service  
3 and Federal wages.

4 “(c) Any Federal employee whose claim for compen-  
5 sation under subsection (a) or (b) of this section has been  
6 denied shall be entitled to a fair hearing in accordance with  
7 regulations prescribed by the Secretary. Any final deter-  
8 mination by the Secretary with respect to entitlement to  
9 compensation under this section shall be subject to review by  
10 the courts in the same manner and to the same extent as is  
11 provided in section 205 (g) of title II with respect to final  
12 decisions of the Administrator under such title.

13 “(d) The Secretary may utilize for the purposes of  
14 this section the personnel and facilities of the agencies in  
15 Puerto Rico and the Virgin Islands cooperating with the  
16 United States Employment Service under the Act of June  
17 6, 1933 (48 Stat. 113), as amended. For the purpose of  
18 payments made to such agencies under such Act, the furnish-  
19 ing of such personnel and facilities shall be deemed to be a  
20 part of the administration of the public employment offices of  
21 such agencies.

22 “TREATMENT OF ACCRUED ANNUAL LEAVE

23 “SEC. 1504. For the purposes of this title, in the case  
24 of a Federal employee who is performing Federal service at  
25 the time of his separation from employment by the United

1 States or any instrumentality thereof, (1) the Federal service  
2 of such employee shall be considered as continuing during  
3 the period, subsequent to such separation, with respect to  
4 which he is considered as having received payment of ac-  
5 cumulated and current annual or vacation leave pursuant to  
6 any Federal law; and (2) subject to regulations of the  
7 Secretary concerning allocation over the period, such pay-  
8 ment shall constitute Federal wages.

9 "PAYMENTS TO STATES

10 "SEC. 1505. (a) Each State shall be entitled to be paid  
11 by the United States an amount equal to the additional cost  
12 to the State of payments of compensation made under and  
13 in accordance with an agreement under this title which  
14 would not have been incurred by the State but for the  
15 agreement.

16 "(b) In making payments pursuant to subsection (a)  
17 of this section, there shall be paid to the State, either in  
18 advance or by way of reimbursement, as may be determined  
19 by the Secretary, such sum as the Secretary estimates the  
20 State will be entitled to receive under this title for each  
21 calendar month, reduced or increased, as the case may be,  
22 by any sum by which the Secretary finds that his estimates  
23 for any prior calendar month were greater or less than the  
24 amounts which should have been paid to the State. Such  
25 estimates may be made upon the basis of such statistical,

1 sampling, or other method as may be agreed upon by the  
2 Secretary and the State agency.

3 “(c) The Secretary shall from time to time certify  
4 to the Secretary of the Treasury for payment to each State  
5 sums payable to such State under this section. The Sec-  
6 retary of the Treasury, prior to audit or settlement by the  
7 General Accounting Office, shall make payment to the  
8 State in accordance with such certification, from the funds  
9 for carrying out the purposes of this title.

10 “(d) All money paid a State under this title shall be  
11 used solely for the purposes for which it is paid; and any  
12 money so paid which is not used for such purposes shall  
13 be returned, at the time specified in the agreement under  
14 this title, to the Treasury and credited to current applicable  
15 appropriations, funds, or accounts from which payments to  
16 States under this title may be made.

17 “(e) An agreement under this title may require any  
18 officer or employee of the State certifying payments or  
19 disbursing funds pursuant to the agreement, or otherwise  
20 participating in its performance, to give a surety bond to  
21 the United States in such amount as the Secretary may deem  
22 necessary, and may provide for the payment of the cost of  
23 such bond from funds for carrying out the purpose of this  
24 title.

25 “(f) No person designated by the Secretary, or des-



1 designated pursuant to an agreement under this title, as a  
2 certifying officer, shall, in the absence of gross negligence  
3 or intent to defraud the United States, be liable with respect  
4 to the payment of any compensation certified by him under  
5 this title.

6 “(g) No disbursing officer shall, in the absence of gross  
7 negligence or intent to defraud the United States, be liable  
8 with respect to any payment by him under this title if it  
9 was based upon a voucher signed by a certifying officer  
10 designated as provided in subsection (f) of this section.”

11 “(h) For the purpose of payments made to a State  
12 under title III, administration by the State agency of such  
13 State pursuant to an agreement under this title shall be  
14 deemed to be a part of the administration of the State  
15 unemployment compensation law.

16 “INFORMATION

17 “SEC. 1506. (a) All Federal departments, agencies,  
18 and wholly owned instrumentalities of the United States  
19 are directed to make available to State agencies which  
20 have agreements under this title or to the Secretary, as  
21 the case may be, such information with respect to the Fed-  
22 eral service and Federal wages of any Federal employee  
23 as the Secretary may find practicable and necessary for  
24 the determination of such employee's entitlement to com-  
25 pensation under this title.

1       “(b) The agency administering the unemployment  
2 compensation law of any State shall furnish to the Secre-  
3 tary such information as the Secretary may find necessary  
4 or appropriate in carrying out the provisions of this title,  
5 and such information shall be deemed reports required by  
6 the Secretary for the purposes of paragraph (6) of sub-  
7 section (a) of section 303.

8                               “PENALTIES

9       “SEC. 1507. Whoever makes a false statement or repre-  
10 sentation of a material fact knowing it to be false, or know-  
11 ingly fails to disclose a material fact, to obtain or increase  
12 for himself or for any other individual any payment author-  
13 ized to be paid under this title or under an agreement  
14 thereunder shall be fined not more than \$1,000 or imprisoned  
15 for not more than one year, or both.

16                               “REGULATIONS

17       “SEC. 1508. The Secretary is hereby authorized to make  
18 such rules and regulations as may be necessary to carry out  
19 the provisions of this title. The Secretary shall insofar as  
20 practicable consult with representatives of the State unem-  
21 ployment compensation agencies before prescribing any  
22 rules or regulations which may affect the performance by  
23 such agencies of functions pursuant to agreements under  
24 this title.

“APPROPRIATIONS

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2       “SEC. 1509. There are hereby authorized to be appro-  
3 priated out of any moneys not otherwise appropriated such  
4 sums as are necessary to carry out the provisions of this  
5 title.”

6       SEC. 2. Section 1606 (e) and section 1607 (m) of the  
7 Federal Unemployment Tax Act are each hereby amended  
8 by inserting after “December 31, 1945,” the following:  
9 “and prior to January 1, 1955,”.

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